STATE OF WEST VIRGINIA OFFICE OF THE ATTORNEY GENERAL DARRELL V. MCGRAW, JR. CONSUMER PROTECTION DIVISION 1-800-368-8808 or 304-558-8986

Press Release

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FOR IMMEDIATE RELEASE CONTACT: NORMAN GOOGEL 1-800-368-8808 304-558-8986

ATTORNEY GENERAL DARRELL V. McGRAW, JR. SECURES SWEEPING SETTLEMENT WITH KIRBY COMPANY

Attorney General Darrell V. McGraw, Jr., secured a sweeping settlement with all eight companies who presently sell Kirby vacuum cleaners (Kirbys) in West Virginia. The companies signed an unprecedented agreement with the Attorney General on December 21, 2001, in which they promised to refrain from a wide range of unlawful practices and to resolve all future complaints to Attorney General McGraw's satisfaction. Thus far, the agreement has resulted in more than \$26,000 in cash refunds, canceled debt, and product for 18 West Virginia consumers.

The Agreement requires the Kirby sellers to refrain from numerous unlawful practices, including failing to furnish consumers with proper notice of their three-day right to cancel; misrepresenting the terms and conditions of financing; financing sales of Kirbys on "open-end" credit card accounts; selling used, rebuilt, or demonstrator Kirbys as "new"; failing to return down payments or trade-ins to consumers who cancel sales; inducing consumers to allow in-home sales presentations by promising to "shampoo their carpets," stating they have "won" a contest or prize, stating that they were "specially selected" or making any other false or misleading representations; and extending credit to consumers known to be non-creditworthy or otherwise exploiting consumers unable to protect themselves by reason of physical or mental infirmities, ignorance, illiteracy, or inability to understand the transaction.

Attorney General McGraw stated, "The investigation by my office revealed that the Kirby sellers used unfair and deceptive sales practices to pressure elderly, poor, and mentally infirm persons into purchasing expensive vacuum cleaners that they did not want, did not need, and could not afford. In some cases, the companies put the Kirby purchases on credit cards without explaining to consumers that they were doing so. It is my hope that this agreement will bring about a true reform of the sales practices of sellers of Kirbys in West Virginia.

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hotline at 1-800-368-8808 or 304-558-8986, or by obtaining a complaint form from the consumer web page.

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